

DECLARATION OF EMERGENCY

Office of the Governor Division of Administration Office of Statewide Uniform Payroll

Self-Directed Payroll Savings Bond Plan (LAC 4:III.1101)

The Division of Administration through the Office of State Uniform Payroll, is exercising the emergency provisions of the Administrative Procedures Act, R.S. 49:953(B), and pursuant to the authority granted under R.S. 39:247, adopts the following emergency rule effective October 1, 2010. This Rule shall remain in effect for the maximum period of time allowed under the Act. However, any policy established pursuant to this Emergency Rule shall remain in effect until changed or repealed.

The Division of Administration, through the Office of State Uniform Payroll, finds it necessary to issue this emergency rule to institute a new policy regarding the purchase of U.S. Savings Bonds through payroll deductions. Beginning January 1, 2011, U.S. Treasury regulations will no longer allow the issuance of paper bonds through payroll deduction. Instead, the U.S. Treasury will only provide electronic bonds through TreasuryDirect accounts at www.TreasuryDirect.gov. The sole bond issuing agency (National Bond and Trust) which has contractually managed the State's Savings Bond Program for ISIS HR payroll employees has advised that it will no longer print bonds after November 30, 2010, and will no longer manage accounts containing payroll deductions on behalf of Louisiana state employees. As such, the Office of State Uniform Payroll will no longer be able to comply with the strict statutory requirements of R.S. 42:451 and 42:452, the statutes that mandate that the state's payroll systems allow employee payroll deductions for the purchase of savings bonds, and to provide for the maintenance and management of employee accounts.

The Office of State Uniform Payroll is authorized by existing law to allow employees paid through the ISIS HR payroll system to self-direct electronic payroll deposits to one or more banks of their choice. Therefore, the Division of Administration, through the Office of State Uniform Payroll, in order to allow those employees who desire to voluntarily participate in the purchase of U.S. Savings Bonds, will allow employees paid through the ISIS HR payroll system to self-direct payroll deposits to self-established employee accounts with TreasuryDirect. Transfers will be handled strictly as direct deposits to the employee's TreasuryDirect bank account rather than as payroll deductions managed by a third party. Accounts may only be established and maintained by each employee through the TreasuryDirect website.

Title 4

ADMINISTRATION

Part III. Payroll

Chapter 11. Self-Directed Payroll Savings Bond Plan

§1101. Establishment

A. As of December 1, 2010, the Office of State Uniform Payroll shall no longer direct employee payroll deductions to National Bond and Trust, or to any other party for the establishment of payroll savings accounts for the purchase of U.S. Savings Bonds. The Office of State Uniform Payroll shall cooperate with National Bond and Trust to refund any

amounts remaining in individual employee savings accounts to the respective employees.

B. As of December 1, 2010, it shall be the policy of the Office of State Uniform Payroll to notify those employees paid through the ISIS HR payroll system, by publication or on its website, of the availability of U.S. Savings Bonds directly from TreasuryDirect. The Office of State Uniform Payroll may instruct employees how to directly establish accounts with TreasuryDirect, and may also establish a link from its website to www.TreasuryDirect.gov. The policy established herein shall continue until such time as it is modified or terminated by the Office of State Uniform Payroll.

C. The establishment of accounts through TreasuryDirect, and the purchase of U.S. Savings Bonds by directing electronic payroll deposits to accounts with TreasuryDirect, shall hereinafter be the sole responsibility of the employee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:247.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of State Uniform Payroll, LR 37:

Paul W. Rainwater
Commissioner

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